

THIS INSTRUMENT HAS BEEN PREPARED BY THE VIRGINIA GAS AND OIL BOARD

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: V-3609

(herein "Subject Drilling Unit")

DOCKET NO. VGOB-96-10/15-0558

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on November 1, 1996 and recorded at Deed Book 836, Page 441 in the office of the Clerk of the Court, Wise County, Virginia on November 12, 1996, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Equitable Resources Energy Company (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailing dated January 22, 1997, disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated February 28, 1997, in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by

said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 24605, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

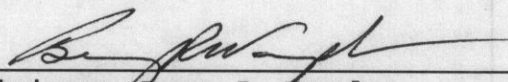
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 24605, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 27<sup>th</sup> day of March 1997, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler



STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 27<sup>th</sup> day of March, 1997,  
personally before me a notary public in and for the Commonwealth of  
Virginia, appeared Benny Wampler, being duly sworn did depose and say that  
he is Chairman of the Virginia Gas and Oil Board, that he executed the same  
and was authorized to do so.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My commission expires 7/31/98

DONE AND PERFORMED this 27<sup>th</sup> day of March 1997 by Order of  
this Board.

Byron Thomas Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 27<sup>th</sup> day of March, 1997,  
personally before me a notary public in and for the Commonwealth of  
Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say  
that he is Principal Executive to the staff of the Virginia Gas and Oil  
Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My commission expires 9/30/97

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Energy Company, Eastern Region for Forced Pooling of Interests in Unit Number V-3609, VGOB Docket No. VGOB-96/1015-0558 in the Roberson Magisterial District of Wise County, Virginia.

AFFIDAVIT OF WILHOIT, STETSON & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of Wilhoit, Stetson & Kaiser, the Agent for the Designated Operator, with offices located at 155 Shelby Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on November 1, 1996, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on November 12, 1996.
5. That the Designated Operator, by and through their agent, Wilhoit, Stetson & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit



Operator, within the thirty day election periods:

None.

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

None.

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

None.

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraphs 3 and 2(c) of the Order.

Tract 9	David Sherman Collins et ux	5.590 Acres x \$5 = \$27.95
Tract 10	Ava Mullins Bowman et vir	0.910 Acres x \$5 = \$4.55
	Essie Bowman et ux	0.910 Acres x \$5 = \$4.55
	Randall Bowman	0.910 Acres x \$5 = \$4.55
	Jimmy Bowman	0.910 Acres x \$5 = \$4.55
	Ricky Bowman	0.910 Acres x \$5 = \$4.55
Tract 11	Frank C. Sturgill et ux	0.810 Acres x \$5 = \$4.05
Tract 12	Larry Sturgill et ux	3.060 Acres x \$5 = \$15.30

That pursuant to the provision of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22A.3 and 4.

Dated at Kingsport, Tennessee, this 20<sup>th</sup> day of March 1997.

James E. Kaiser  
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Resources Energy Company, a corporation, on behalf of the corporation, this 20<sup>th</sup> day of March 1997.

My commission expires: 9-30-97

Diane J. Davis  
Notary

VIRGINIA: In the Clerk's Office of Wise Circuit Court 4-1-1997  
This deed was presented and upon the annexed Certificate of acknowledgement admitted to  
record at 2:40P M. The tax imposed by 58.541 of the Code has been paid in the  
amount of \$        Recorded in Deed Book 845 and Page 32  
J. Jack Kennedy, Jr., Clerk [Signature] Deputy Clerk



**EXHIBIT "B"**  
**V-3609**

VGOB 96-1015-0558

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTERESTS</u>
1	Penn Virginia Resources Corporation Attn: Mr. Russell Cook 999 Executive Park Blvd., Suite 300 Kingsport, TN 37660	Leased-EREC 223096L 01 Tract 1011	25.370000%	28.590	0.03171250 RI
	Equitable Resources Energy Company				0.22198750 WI
<b>Tract 1 Totals</b>			25.370000%	28.590	0.25370000
2	Penn Virginia Resources Corporation Attn: Mr. Russell Cook 999 Executive Park Blvd., Suite 300 Kingsport, TN 37660	Leased-EREC 223096L 01 Tract 1007	24.190000%	27.260	0.03023750 RI
	Equitable Resources Energy Company				0.21166250 WI
<b>Tract 2 Totals</b>			24.190000%	27.260	0.24190000
3	Penn Virginia Resources Corporation Attn: Mr. Russell Cook 999 Executive Park Blvd., Suite 300 Kingsport, TN 37660	Leased-EREC 223096L 01 Tract 1010	4.290000%	4.830	0.00536250 RI
	Equitable Resources Energy Company				0.03753750 WI
<b>Tract 3 Totals</b>			4.290000%	4.830	0.04290000
4	Penn Virginia Resources Corporation Attn: Mr. Russell Cook 999 Executive Park Blvd., Suite 300 Kingsport, TN 37660	Leased-EREC 223096L 01 Tract 1035	3.080000%	3.470	0.00385000 RI
	Equitable Resources Energy Company				0.02695000 WI
<b>Tract 4 Totals</b>			3.080000%	3.470	0.03080000

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5	Red River Coal Company P. O. Box 668 Norton, VA 24273	Leased-EREC 223142L 01	4.310000%	4.860	0.00538750
	Equitable Resources Energy Company				0.03771250 WI
<b>Tract 5 Totals</b>			4.310000%	4.860	0.04310000
6	Pauline Phillips, a widow 9558 Donalds Branch Road Pound, VA 24279	Leased-EREC 245165L 01	1.580000%	1.780	0.00197500 RI
	Equitable Resources Energy Company				0.01382500 WI
<b>Tract 6 Totals</b>			1.580000%	1.780	0.01580000
7	Shirley Cox Mullins and Charles Wayne Mullins, W/H P. O. Box 6 Pound, VA 24279	Leased-EREC 223070L 01	7.070000%	7.970	0.00883750 RI
	Equitable Resources Energy Company				0.06186250 WI
<b>Tract 7 Totals</b>			7.070000%	7.970	0.07070000
8	Albert G. L. Church and Deborah Church, H/W Rt. 1, Box 179-2 Pound, VA 24279	Leased-EREC 244619L 01	1.410000% Life Estate	1.590	0.00176250 RI
	Jason Lloyd Church, single Rt. 1, Box 179-2 Pound, VA 24279	Leased-EREC 244619L 01	(1.410000%) Remainderman	(1.590)	(0.00176250) RI
	Equitable Resources Energy Company				0.01233750 WI
<b>Tract 8 Totals</b>			1.410000%	1.590	0.01410000



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9	David Sherman Collins and Patsy Jane Collins, H/W P. O. Box 417 Pound, VA 24279-0417	Unleased	4.960000%	5.590	0.00620000 RI
	Equitable Resources Energy Company				0.04340000 WI
<b>Tract 9 Totals</b>			4.960000%	5.590	0.04960000
10	Ava Mullins Bowman and Essie Bowman, W/H Rt. 1, Box 177 Pound, VA 24293	Unleased	0.808000%	0.910	0.00101000 RI
	Essie Bowman and Ava Mullins Bowman, H/W Rt. 1, Box 177 Pound, VA 24293	Unleased	0.808000%	0.910	0.00101000 RI
	Randall Bowman Rt. 1, Box 177 Pound, VA 24293	Unleased	0.808000%	0.910	0.00101000 RI
	Jimmy Bowman Rt. 1, Box 177 Pound, VA 24293	Unleased	0.808000%	0.910	0.00101000 RI
	Ricky Bowman Rt. 1, Box 177 Pound, VA 24293	Unleased	0.808000%	0.910	0.00101000 RI
	Equitable Resources Energy Company				0.03535000 WI
<b>Tract 10 Totals</b>			4.040000%	4.550	0.04040000

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11	Frank C. Sturgill and Pamela Sturgill, H/W Rt. 1, Box 178C Pound, VA 24279	Unleased	0.720000%	0.810	0.00090000 RI
	Equitable Resources Energy Company				0.00630000 WI
<b>Tract 11 Totals</b>			0.720000%	0.810	0.00720000
12	Larry Sturgill and Patricia Sturgill, H/W 5901 Hale Gap Road Pound, VA 24279	Unleased	2.720000%	3.060	0.00340000 RI
	Equitable Resources Energy Company				0.02380000 WI
<b>Tract 12 Totals</b>			2.720000%	3.060	0.02720000
13	Junior Church and Charmie Church, H/W Rt. 1, Box 179 Pound, VA 24279-9720	Leased-EREC 244621L 01	2.010000%	2.270	0.00251250 RI
	Equitable Resources Energy Company				0.01758750 WI
<b>Tract 13 Totals</b>			2.010000%	2.270	0.02010000
14	Ruby Gail Sturgill and Kenneth G. Sturgill, W/H Rt. 1, Box 170 Pound, VA 24279	Leased-EREC 244620L 01	3.160000%	3.560	0.00395000 RI
	Equitable Resources Energy Company				0.02765000 WI
<b>Tract 14 Totals</b>			3.160000%	3.560	0.03160000



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15	Jennifer Susanne Taylor and William Taylor, W/H P. O. Box 1835 Wise, VA 24293	Leased-EREC 245166L 01	1.450000% Life Tenant	1.635	0.00181250 RI
	Anna Marie Church Sturgill and Freddie Allen Sturgill, W/H 831 Old Hurricane Road Lot #19 Wise, VA 24293	Leased-EREC 245166L 01	(1.450000%) Remainderman	(1.635)	(.00181250) RI
	Shenna Gail Sturgill c/o Anna Marie Church 831 Old Hurricane Road Lot #19 Wise, VA 24293	Leased-EREC 245166L 02	1.450000% Life Tenant	1.635	0.00181250 RI
	Anna Marie Church Sturgill and Freddie Allen Sturgill, W/H 831 Old Hurricane Road Lot #19 Wise, VA 24293	Leased-EREC 245166L 02	(1.450000%) Remainderman	(1.635)	(0.00181250) RI
	Equitable Resources Energy Company				0.02537500 WI
<b>Tract 15 Totals</b>			2.900000%	3.270	0.02900000
16	Joanne Gibson P. O. Box 984 Wise, VA 24293	Leased-EREC 244887L 01	2.280000%	2.570	0.00285000 RI
	Equitable Resources Energy Company				0.01995000 WI
<b>Tract 16 Totals</b>			2.280000%	2.570	0.02280000
17	Randy Shortt and Teresa Shortt, H/W P. O. Box 419 Pound, VA 24279-0419	Leased-EREC 244886L 01	1.070000%	1.210	0.00133750 RI
	Equitable Resources Energy Company				0.00936250 WI
<b>Tract 17 Totals</b>			1.070000%	1.210	0.01070000

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18	Jamie Dale Dotson and Sonia Lynne Dotson, H/W 6006 Hale Gap Road Pound, VA 24279	Leased-EREC 244885L 01	0.960000%	1.080	0.00120000
	Equitable Resources Energy Company				0.00840000 WI
<b>Tract 18 Totals</b>			0.960000%	1.080	0.00960000
19	Estle C. Sturgill and Mima J. Sturgill, H/W Rt. 1, Box 176A Pound, VA 24279	Leased-EREC 244888L 01	2.520000%	2.840	0.00315000 RI
	Equitable Resources Energy Company				0.02205000 WI
<b>Tract 19 Totals</b>			2.520000%	2.840	0.02520000
20	Penn Virginia Resources Corporation Attn: Mr. Russell Cook 999 Executive Park Blvd., Suite 300 Kingsport, TN 37660	Leased-EREC 223096L 01 Tract 1039	1.360000%	1.530	0.00170000 RI
	Equitable Resources Energy Company				0.01190000 WI
<b>Tract 20 Totals</b>			1.360000%	1.530	0.01360000
<b>TOTALS</b>			100.000000%	112.690	1.00000000